
Near Eastern and South Asian Affairs

By

Ambassador Michael A. Sheehan
Coordinator for Counterterrorism,
Department of State

[The following is a reprint of the testimony presented by Ambassador Michael A. Sheehan before the Senate Foreign Relations Committee Subcommittee on Near Eastern and South Asian Affairs, Washington, DC, November 2, 1999.]

We have witnessed in the Middle East and South Asia examples of all the detrimental effects of terrorism. Beyond its immediate results—a tragic loss of life and property damage—terrorism can often take a terrible toll on political and economic stability. It enflames regional conflicts and brings about a vicious circle of retaliatory violence. It can often undermine, or at a minimum stall, important peace processes by complicating the task of reconciliation between hostile parties. It frequently puts pressure on governments to react in a heavy-handed manner. On the economic side, it inhibits tourism and stifles foreign and domestic investment.

In recent years, we have observed a shift in the locus of terrorism directed against us. In past decades, the Middle East has been the center of activity for some of the world's most dangerous anti-U.S. terrorist groups and for some of the most brazen state sponsors of terrorism. No one in the State Department—least of all my office, nor I personally—will forget the 241 U.S. Marines killed at Beirut airport in 1983, the Americans killed in Lebanon in the embassy bombings, the TWA 847 hijacking, and hostage-takings in the mid-1980's, the 270 passengers who perished in the Pan Am 103 bombing in 1988, or the 19 U.S. servicemen who died at Khobar Towers in Dhahran in 1996. I deal with the families of many of these victims, and it is my responsibility to see the perpetrators of these terrorist acts brought to justice. For this reason, I think it is fair to say that my office devotes special attention to the Middle East.



But the center of anti-American terrorism has moved eastward, from Libya, Syria, and Lebanon to South Asia. As direct involvement in terrorism by most Middle Eastern state sponsors and groups has declined, our attention has increasingly focused on Usama bin Ladin and the alliance of groups operating out of Afghanistan with the acquiescence of the country's de facto

rulers, the Taliban. This Afghan-based terrorist conglomerate brought about the bombings of our embassies in Nairobi and Dar es Salaam in August 1998. I will discuss this in more detail later; I will start with an overview of the Middle East.

Signs of Progress in the Middle East.

It is important to note the progress we have brought about in reducing terrorism in the Middle East. State sponsorship of Middle Eastern terrorism has declined. During the 1970s and 1980s, the governments of Syria, Libya, and Iran played a prominent role in supporting and directing the activities of terrorist groups, as well as carrying out terrorist attacks themselves using state security or intelligence personnel. These state sponsors routinely used terror as an instrument of state policy to attack their opponents, both foreign and domestic, and to put pressure on their neighbors.

Today, following years of more coordinated, generally U.S.-led international pressure and sanctions, governments realize they can no longer blatantly support terrorist groups, plan terrorist attacks, and harbor criminals with impunity. Make no mistake. I do not mean to suggest we no longer have problems with Middle Eastern governments. Iran remains an active state sponsor, and Syria, Libya, and Iraq remain on our list because they provide safe haven and material support to terrorist groups, but their direct sponsorship of terrorist acts has diminished.

Governments are taking more decisive action against terrorists. For example, just last month, the Jordanian government closed Hamas offices and clamped down on Hamas activities in the kingdom. The Palestinian Authority has mounted counterterrorist operations designed to undermine the capabilities of Hamas and the Palestinian Islamic Jihad to use terrorism to disrupt the peace process. Egypt has scored great successes in curbing domestic terrorism. Many other countries are taking steps to prevent terrorists, including those claiming religion to justify their violence, from using their territory for their activities.

International Cooperation

In the Middle East and South Asia, we have established more effective counterterrorist cooperation with more countries than ever before. In addition to our longstanding relationship with Israel, Egypt, and Jordan on counterterrorism, we are now working these issues on a regular basis with Morocco, Tunisia, Saudi Arabia, and a number of Gulf states. I recently traveled to India and laid the groundwork for expanded cooperation with New Delhi in fighting terrorism.

We have dramatically improved bilateral and multilateral intelligence-sharing and law-enforcement cooperation across the board, and in some cases have held joint military exercises focused on counterterrorism. My office hosted a multilateral conference this past summer that brought together senior counterterrorist officials from more than 20 countries, mostly from the Middle East and South Asia. We are having greater success than in the past in persuading governments to arrest terrorist fugitives and render them to the United States for prosecution. A number of governments have cooperated with U.S. authorities in handing over individuals indicted in U.S. courts for involvement in the two 1998 embassy bombings. The latest example was South Africa, which just last month turned over to U.S. custody a suspect in the Dar es Salaam bombing.

Notwithstanding successes in many areas, our fight against terrorism in the Middle East and South Asia has a long way to go. Some Middle Eastern groups, such as Hamas, Palestinian Islamic Jihad, and Hizballah, continue actively to plan terrorist attacks aimed at derailing the Middle East peace process. Iran, which I will discuss in more detail shortly, remains the one active state sponsor of terrorism.

New Challenges in South Asia

But we are confronting new problems and new challenges in South Asia; Usama bin Ladin's al-Qa'ida network is a prime example. Today's terrorist threat comes primarily from groups and loosely knit networks with fewer ties to governments. Bin Ladin's organization operates on its own, without having to depend on a state sponsor for material support. He possesses financial resources and means of raising funds, often through narcotrafficking, legitimate "front" companies, and local financial support. Today's nonstate terrorists benefit from the globalization of communication, using e-mail and Internet websites to spread their message, recruit new members, raise funds, and connect elements scattered around the world.

Bin Ladin and al-Qa'ida represent an alarming trend in terrorism directed against us. Bin Ladin has created a truly transnational terrorist enterprise, drawing on recruits from areas across Asia, Africa, and Europe, as well as the Middle East. Bin Ladin's alliance draws together extremist groups from different regions, linked only by hatred of the United States and those governments with which we have friendly relations. Perhaps most ominously, bin Ladin has avowed his intention to obtain weapons of mass destruction.

Afghanistan has become a new safe haven for terrorist groups. In addition to bin Ladin and al-Qa'ida, the Taliban play host to members of the Egyptian Islamic Jihad, the Algerian Armed Islamic group, Kashmiri separatists, and a number of militant organizations from Central Asia, including terrorists from Uzbekistan and Tajikistan. We have imposed U.S. sanctions on the Taliban and have worked hard to bring about the international sanctions approved by the U.N. Security Council last month. Yet the Taliban stubbornly persist in giving refuge to Usama bin Ladin and his associates. We have urged Pakistan to use its influence to persuade the Taliban to render bin Ladin to a country where he can be brought to justice, and we will persist in this effort.

Within the territory of Pakistan, there are numerous Kashmiri separatist groups and sectarian groups involved in terrorism which use Pakistan as a base. Pakistan has frequently acknowledged what it calls "moral and diplomatic support" for militants in Kashmir who employ violence and terrorism against Indian interests. We have continuing reports of Pakistani material support for some of these militants. One such group, the Harakat ul-Mujahidin (HUM), was involved in the still unresolved July 1995 kidnapping of four westerners, including one American, in Indian-controlled Kashmir. In February 1998, the HUM's leader co-signed bin Ladin's anti-American *fatwa*. The HUM has openly promised to kill Americans "everywhere in the world." In addition, the HUM cooperates with bin Ladin and receives his assistance in maintaining its training facilities in Afghanistan. The HUM is also tied to the Lashkar-i-Jhangvi, a militant sectarian group believed responsible for the attempted assassination of then-Prime Minister Sharif in January 1999. Other groups, such as the Lashka-i-Talba, the Harakat ul-Jihad-i-Islami, and the Hizbul Mujahideen, operate freely in Pakistan and support terrorist attacks in Kashmir.

The Taliban leadership is not overtly hostile to the United States, but its actions and its tolerance of terrorist groups seriously obstruct our counterterrorist efforts. As far as Pakistan is

concerned, we have repeatedly asked Islamabad to end support for terrorist training in Afghanistan, to interdict travel of militants to and from camps in Afghanistan, to prevent militant groups from acquiring weapons, and to block financial and logistical support to camps in Afghanistan. We have also urged Islamabad to close certain *madrassas*, or Islamic schools, that actually serve as conduits for terrorism.

U.S. Designation of Foreign Terrorist Organizations

Under the *Antiterrorism and Effective Death Penalty Act of 1996*, we designate 28 groups as “foreign terrorist organizations” (FTO’s), almost half of which are from the Middle East or South Asia. We also continue to label seven countries, including four Middle Eastern governments, as state sponsors of terrorism under U.S. law. We keep a careful eye on these FTO’s and the key state sponsors to determine—through a painstaking review process—if they are continuing their support for terrorism. Both the FTO list and the state sponsors list are meant to be “living” lists, which can change over time as the behavior of groups and governments changes. If a group or country ceases its terrorist activity, we will give serious consideration to removing it from the list. We want to give them an incentive to mend their ways.

There is a misconception, however, about the kinds of terrorist activity that keep a group on the FTO list or government on the state-sponsors list. It is not just a matter of ordering or carrying out a direct terrorist attack. We are equally focused on preparations for terrorism, in which we include activities such as recruiting, training funding, equipping, planning, and providing safe haven to terrorists.

In the case of many of the groups which we have just redesignated as foreign terrorist organizations as well as most of the state sponsors we do not have evidence they carried out direct terrorist attacks over the past two years. But we nonetheless consider them guilty of ongoing terrorist activity because they continued to be involved in the things I mentioned earlier: recruiting, training, funding, equipping, planning, and providing safe haven. We will only consider removing a group from the FTO list, or a government from the state-sponsors list when we are convinced all such activities have stopped.

In the case of the Middle East and South Asia, we have strong evidence of the direct involvement in terrorist attacks over the past two years of groups such as Hamas, Hizballah, the Palestinian Islamic Jihad, the Egyptian Islamic Jihad, Egyptian Islamic group, the PFLP-GC, the Algerian Armed Islamic group, the Pakistan-based Harakat ul-Mujahideen, and the Sri Lankan Tamil Tigers, also known as the LTTE. These groups are a long way from being considered for removal from the FTO list.

Then, there are a number of groups which have not carried out an overt terrorist act in recent years but continue to recruit, train, equip, and plan for terrorism. These groups include the Abu Nidal organization, the PFLP, the PLF (Abu Abbas faction), and the two Jewish extremist groups, Kach and Kahane Chal. Any of these groups could end all activities in preparation for possible terrorist acts and eventually qualify for removal from the FTO list.

We designate foreign terrorist organizations not to develop a “black list” for its own sake, but to curb their funding. We urge other governments to take similar steps. As Congress stated in the *Antiterrorism and Effective Death Penalty Act*, “foreign organizations that engage in terrorist activity are so tainted by their criminal conduct that any contribution to such an organization

facilitates that conduct.” We encourage other governments to tighten their laws and regulations, and we are developing a training program to help them identify and block terrorist money flows.

State Sponsors

Now turning to state sponsors, four of the seven state sponsors on our list are Middle Eastern states: Libya Syria, Iran, and Iraq. Although more reluctant today to sponsor terrorist attacks directly, they continue to give safe haven and support to terrorist groups, individuals, and activities.

First, Iran. Iran remains a leading state sponsor of terrorism. CIA Director Tenet affirmed before Congress earlier this year that “hardliners continue to view terrorism as a legitimate tool of Iranian policy, and they still control the institutions that can implement it.” As noted in this year’s *Patterns of Global Terrorism*, the State Department’s primary annual publication on terrorism, Iran continues to be involved in a range of terrorist activities. These include providing material support and safe haven to some of the most lethal terrorist groups in the Middle East, notably Hizballah, Hamas, and the PIJ. Iranian assistance has taken the form of financing, equipping, offering training locations, and offering refuge from extradition. In the case of Hizballah and Hamas, Iranian support totals tens of millions of dollars in direct subsidies each year. Tehran also continues to target Iranian dissidents abroad.

In particular, two Iranian government organs, the Revolutionary Guard Corps and the Ministry of Intelligence and Security, have institutionalized the use of terrorism as an instrument of policy over the past two decades. These two government organs have longstanding ties to the terrorist groups I mentioned earlier, among others, and they appear determined to maintain these relationships regardless of statements to the contrary from some of Iran’s political leaders.

We continue to investigate the 1996 bombing at Khobar Towers in Saudi Arabia, in which 19 U.S. servicemen died. We will pursue that investigation wherever it leads, including following up on information suggesting that some Iranian officials might have played a part in planning or facilitating the attack.

Iran’s support for terrorism activity stands in contrast to other countries in the region, including Syria, which is telling these groups to end “military” activity. Although we have repeatedly assured the Iranians that we have no preconditions for beginning dialogue, we have also made it clear that there cannot be a lifting of U.S. sanctions or an improvement in relations until Iran takes meaningful steps to end its support for terrorism and cooperate in the fight against terrorism.

Syria. International sanctions in the 1980s, following a 1986 Syrian-directed attempt to bomb an El Al flight, had a dramatic effect on Syrian actions. Syrian officials have not been directly linked to a specific terrorist attack in this decade. Nonetheless, Syria continues to provide support and safe haven to a number of key terrorist groups, many of which have offices in Damascus and training facilities on Syrian soil and in Syrian-controlled areas of the Bekaa valley in Lebanon. These groups include Hamas, the Palestinian Islamic Jihad, and the PFLP-GC.

We recognize that Syria’s role in sponsoring Middle Eastern terrorist groups has substantially diminished by comparison with its involvement in terrorism 20 years ago. We also note the recent Syrian moves to put pressure on various Palestinian groups to move from armed struggle to

political action. But, until Syria ceases to give safe haven to these groups, it will remain on the state-sponsors list.

Iraq. Iraq's capabilities to cause trouble through international terrorism have been seriously eroded, largely through international cooperation. Nonetheless, Saddam Hussein retains a willingness to attack us by terrorist means and the connections to Middle Eastern terrorist groups that could lead to such acts. We are concerned over the fact that Abu Nidal relocated himself and his terrorist organization to Iraq over the past year. Iraq also continues to host and arm the Iranian Peoples' Mujahedin, a terrorist group with American blood on its hands. Thus, we are not looking at removing Iraq from the list any time soon.

Finally, **Libya.** In the mid-1980s Libya hosted and supported some of the most violent and deadly terrorist groups, including the Abu Nidal organization (ANO), which operated terrorist training camps on Libyan soil. A decade of international sanctions and isolation, however, has clearly had an effect on Libyan policy. It appears they have expelled the ANO, and we no longer have evidence that terrorist camps still exist in Libya. On April 5th, following years of U.S.-led pressure, Libya turned over two individuals who will be tried in The Hague for carrying out the Pan Am 103 bombing, 11 years after that December 1988 tragedy. This action, while important from our perspective, does not end our designation of Libya as a state sponsor of terrorism. That can only happen when we have clear evidence that Qadhafi has:

- Fully cooperated with the Pan Am 103 trial;
- Fulfilled all obligations under U.N. Security Council resolutions;
- Renounced the use of terrorism;
- Severed remaining ties to terrorist groups.

A French court convicted Qadhafi's brother-in-law, Libyan intelligence chief Abdallah Senoussi, for his involvement in the UTA 772 bombing. Last month, the French magistrate investigating the UTA 772 case is seeking to indict Qadhafi himself. We will be following this case very carefully over the next few months.

Beyond these officially designated state sponsors, we remain concerned about other countries in the Middle East and South Asia. I spoke earlier about our efforts to persuade Pakistan to use its influence to bring Usama bin Ladin to justice. This is a bone of contention between Pakistan and the United States. I am also disturbed that Lebanon remains a haven for terrorist groups and individuals, some of whom are fugitives from U.S. justice for acts committed against Americans in the 1980's. We continually raise this problem with the Lebanese Government.

Mr. Chairman, I want to reaffirm that the central element of our counterterrorist efforts remains a combination of political will and diplomatic action. We can combat terrorism only if we persuade other governments to work with us, intelligence-sharing, law-enforcement cooperation, and armed force are important, but they must be integrated into our overall political/diplomatic strategy. A long-term, sustained effort, however, requires not just a firm commitment from our leaders, but also resources.

Let me say a word about the resources we need to fight terrorism. It is vital we help friendly governments acquire counterterrorist skills. Part of our cooperative effort includes providing training through the State Department's antiterrorism assistance program. This training in such

courses as bomb detection, airport security, hostage negotiation, and crisis management is extremely important both as a foreign policy tool in fighting terrorism and also in protecting Americans who travel or work overseas.

Every American ambassador has explicit instructions from the President to protect the lives and the welfare of American citizens overseas. Antiterrorism assistance permits our envoys to do their jobs. It is the currency that a U.S. ambassador can use to “sell” a foreign government on the need for firm counterterrorist action. Without it, our representatives have nothing to offer and no way to enlist foreign governments in protecting our citizens.

Fighting terrorist fundraisers and bomb makers takes money. Yet the foreign operations bill would cut our proposed combined antiterrorism and terrorist interdiction programs by 36%. This is unconscionable, in my opinion. These terrible cuts are short-sighted and make it impossible for us to continue the three year training programs launched for countries in Africa and Eastern Europe after the bombings of our embassies in East Africa last year, and still provide needed training for key countries in the Middle East and elsewhere.

International cooperation, antiterrorism training, action to counter terrorist fundraising, advances in explosive-detection equipment, exercises to deal with crises, and rewards for information are not abstract ideas or “foreign give-aways.” They are good investments in the protection for American citizens and interests.

Mr. Chairman, whenever there is a major terrorist incident, everyone demands that we “do something.” But weeks later when the TV images fade away, it becomes frustratingly difficult in the next year to get the funding for programs that do something.

I know that you and your committee have been supportive of our efforts and we are grateful. But I am not sure that the importance of these programs is understood fully elsewhere in Congress.

The bottom line is that, to fight terrorism effectively, the State Department needs resources to do so. Without them, Americans who live and travel overseas will continue to risk attack from whoever carries a grudge and weapon.